

# SENATE BILL REPORT

## SB 5361

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As Reported by Senate Committee On:  
Higher Education, February 2, 2017

**Title:** An act relating to the opportunity scholarship program.

**Brief Description:** Concerning the opportunity scholarship program.

**Sponsors:** Senators Bailey, Mullet, Zeiger, Palumbo, Fain, Frockt, Carlyle, Keiser, Kuderer, Wellman and Wilson.

**Brief History:**

**Committee Activity:** Higher Education: 1/31/17, 2/02/17 [DP].

**Brief Summary of Bill**

- Professional technical certificates and professional technical degrees are added to the types of programs for which students can use Washington State Opportunity Scholarship award funding.

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### SENATE COMMITTEE ON HIGHER EDUCATION

**Majority Report:** Do pass.

Signed by Senators Wilson, Chair; Bailey, Vice Chair; Palumbo, Ranking Minority Member; Baumgartner and Frockt.

**Staff:** Clint McCarthy (786-7319)

**Background:** The Washington State Opportunity Scholarship (WSOS) was created in 2011 to address unfilled seats in the high-demand sectors that drive our economy like aerospace, engineering, technology and health care as well as rising tuition costs at Washington colleges and universities. Students must have been accepted into an eligible high-demand major at an approved four-year college or university, or an approved community college offering a bachelors' degree in an eligible high-demand major. Applicants must meet the following criteria:

- a Washington resident pursuing a degree in a high demand major in science, technology, engineering, math, or healthcare;
- a graduate of a high school in Washington State;

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- a cumulative grade point average of at least 2.75 on a 4.0 scale;
- planning to enroll as a full-time student;
- have completed the Free Application for Financial Student Aid (FAFSA);
- have applied for Federal Education tax credits, if eligible; and
- must have a family income—adjusted gross income plus all untaxed income—less \$56,500 for a household of one. The threshold for family income increases with an increased number of people in the household.

Students can only receive WSOS funding at the \$2,500 level for one, two, or three years. A high school senior is eligible to receive up to three years of funding at the \$2,500 level. After one to three years at an institution of higher learning, a student can increase their scholarship to the \$5,000 level after providing WSOS with prescribed documentation. Based on documentation provided by the student to increase the scholarship to \$5,000, the WSOS will automatically increase the scholarship to \$7,500 once it has been determined that the student has earned 135 quarter hours 90 semester hours. The scholarship is decreased to \$5,000 when WSOS has determined that a student has earned 181 quarter credits or 121 semester credits. Once students exceed 225 quarter credits or 150 semester credits, students are no longer eligible for further funding.

**Summary of Bill:** Professional-technical certificates and professional-technical degrees are added to the types of programs for which students can use WSOS funding. Professional-technical certificates and professional-technical degrees are defined in statute to mean programs as approved by the State Board of Community and Technical Colleges that are offered at institutions of higher learning.

The Pathways Scholarship account is added to the accounts from which scholarships can be disbursed. Scholarships must be automatically renewed as long as the participant annually submits documentation of filing both a FAFSA and for available Federal Education tax credits. If ineligible for FAFSA, the participant can annually submit a state financial aid application as approved by the Office of Financial Assistance.

**Appropriation:** None.

**Fiscal Note:** Available.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: The bill makes a positive improvement to the WSOS, which leverages significant private sector jobs. The professional certificate credentials are critical to mid-level career jobs in high demand fields. Employers are having a difficult time filling these mid-level jobs—jobs that require more than high school diploma and less than a four-year degree. This enables a path to a great career without having to carry a high level of student debt. Currently, they’ve seen incredible results in the WSOS. They have over \$100 million in private contributions. The Legislature is encouraged to extend the scholarship to professional certificate programs so that similar benefits can be enjoyed by those pursuing a mid-level career in a high demand field.

**Persons Testifying:** PRO: Senator Barbara Bailey, Prime Sponsor; Rachelle Sharpe, WA Student Achievement Council; Ruben Flores, State Board of Community and Technical Colleges; Balvina Cortez, student, Pierce College; Harper Chinn, student, Pierce College; Naria Santa Lucia, Washington State Opportunity Scholarship; Houng Vo, WSOS Scholar; Eleni Papadakis, Workforce Training and Education Coordinating Board; Amy Anderson, Association of Washington Business.

**Persons Signed In To Testify But Not Testifying:** No one.